

not be returned to customers through rates or refunds, such amounts must be credited to Account 421, Miscellaneous income or loss (§367.4210), or Account 434, Extraordinary income (§367.4340), as appropriate, in the year such determination is made.

(d) The records supporting the entries to this account must be so kept that the service company can furnish full information as to the nature and amount of each regulatory liability included in this account, including justification for inclusion of such amounts in this account.

§ 367.2550 Account 255, Accumulated deferred investment tax credits.

This account must be credited with all investment tax credits deferred by companies that have elected to follow deferral accounting, partial or full, rather than recognizing in the income statement the total benefits of the tax credit as realized. After this election, a company may not transfer amounts from this account, except as authorized in this account and in accounts 411.4, Investment tax credit adjustments, service company property (§367.4114) or 411.5, Investment tax credit adjustments, other income and deductions (§367.4115), or with approval of the Commission.

§ 367.2820 Account 282, Accumulated deferred income taxes—Other property.

(a) This account must include the tax deferrals resulting from adoption of the principle of comprehensive inter-period income tax allocation described in the General Instructions in §367.17 that are related to all property other than accelerated amortization property.

(b) This account must be credited and accounts 410.1, Provision for deferred income taxes, operating income (§367.4101), or 410.2, Provision for deferred income taxes, Other income and deductions (§367.4102), as appropriate, must be debited with tax effects related to property described in paragraph (a) of this section where taxable income is lower than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into

the determination of pretax accounting income.

(c) This account must be debited, and accounts 411.1, Provision for deferred income taxes—Credit, operating income (§367.4111), or 411.2, Provision for deferred income taxes—Credit, other income and deductions (§367.4112), as appropriate, must be credited with tax effects related to property described in paragraph (a) of this section where taxable income is higher than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income.

(d) The service company is restricted in its use of this account to the purposes described in paragraphs (a) through (c) of this section. It must not transfer the balance in this account or any related portion to retained earnings or make any other use of the balance except as provided in paragraph (a) through (c) of this section without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of property on which there is a related balance, this account must be charged with an amount equal to the related income tax expense, if any, arising from the disposition and accounts 411.1, Income taxes deferred in prior years—Credit, operating income (§367.4111), or 411.2, Income taxes deferred in prior years—Credit, other income and deductions (§367.4112), must be credited. When property is disposed of by transfer to a wholly-owned subsidiary, the related balance in this account also must be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance must be retained to offset future group item tax deficiencies.

§ 367.2830 Account 283, Accumulated deferred income taxes—Other.

(a) This account must include all credit tax deferrals resulting from the